

HAY AND GRAIN SUMMARY

ALASKA HAY

Hay, for the purposes of this document, includes silage, haylage, grain hay (which in this state is usually oat hay) and ordinary dry hay in the square or in the round.

Infrastructure

The Food and Farm Directory, published by the Division of Agriculture, indicates 95 farms are involved in the active production of hay.

Production & Value

According to Alaska Agricultural Statistics Bulletin 2006 (linked on the Ad Hoc website www.dnr.state.ak.us/ag/ag_adhoc.htm) hay has become the largest field production commodity in Alaska, totaling \$7.2 million for calendar year 2005. Hay production eclipsed the \$4.8 million dollars of all vegetables combined in calendar year 2004.

Most Alaska hay is produced in either the Tanana Valley or the Southcentral region. The Alaska Agricultural Statistics Bulletin 2006 indicates that the Matanuska Valley production was worth \$3.3 million and the Tanana Valley production was worth \$3 million in crop year 2005. The current average across the state for hay is \$240 per ton, but this average does vary.

Use

According to the Agriculture Development Plan May 2006, page 17, (www.dnr.state.ak.us/ag/ag_adhoc.htm) most premium hay produced in Alaska is being sold to the horse market. Even so it is estimated that half of the horse hay in the state is imported. Lower quality hay is generally fed to beef cattle and dry dairy stock because it is cheaper and because they can digest it better than horses. Lactating cows generally need the better quality forages to keep up milk production.

It is estimated that cows eat their body weight in dry matter every month. If the average of all the cattle (3,430 head of cattle) in the Tanana and Matanuska Valleys is 1,000 pounds each, they would consume 20,580 tons of hay annually. Of course many of those cattle are beef and dry stock that are on pasture for 4 months so you could reduce that consumption by 30% which yields a more accurate number of 14,406 tons. These two regions produce a total of 26,500 tons of hay a year meaning that approximately 12,094 tons of hay is used for purposes other than feeding cattle. If you apply the same calculations to only dairy cows that calved in 2005 (770 head) using an average weight of 1,300 pounds the consumption of Alaska hay is 6,006 tons annually. (Cattle numbers and hay tonnage based on Alaska Agricultural Statistics Bulletin 2006 www.dnr.state.ak.us/ag/ag_adhoc.htm).

Dairy

Traditionally in Alaska, dairy and beef producers grew their own forage. More recently about half of the dairies indicated that they were purchasing at least some of their feed off farm (Milk Production in Alaska – Godfrey 2005 (www.dnr.state.ak.us/ag/ag_adhoc.htm)). Most of this was high moisture hay (haylage).

Future Supply & Demand

Statistical trends in Alaska indicate that hay production keeps increasing both in value and in volume. About 10,000 acres of ground currently in the federal Conservation Reservation Program (CRP) in the Delta area are scheduled to come back into production in the next several years. This will put a downward price pressure on both the hay and grain markets if producers begin to produce grain and hay on these properties in surplus quantities.

ALASKA GRAINS

The two primary grains grown in Alaska are barley and oats. These are feedstocks for livestock consumption.

Infrastructure

Alaska has an adequate amount of storage and drying capacity for barley and oats. The grain industry has a lot of room to grow but is dependent on the livestock populations. Grain infrastructure in Alaska anticipated an export market to the Pacific Rim which never materialized. The empty silos in Valdez and Seward serve as a reminder of this. Due to these empty silos, most Alaskans do not know that Alaska has a viable grain industry.

Production & Value

The overwhelming majority of grain production in Alaska takes place in the Tanana Valley. In 2005, the Tanana Valley produced \$728,000 worth of barley and \$148,000 worth of oats. The Matanuska Valley in the same year produced \$32,000 worth of barley and no oats. The combined state total for 2005 was \$908,000. Statistics indicate a fairly consistent growth in the volume and value of grain. (Alaska Agriculture Statistics Bulletin 2006 www.dnr.state.ak.us/ag/ag_adhoc.htm).

Use

Most oats grown in Alaska are used for the horse population. Some barley is processed in Delta in the form of pellets, but most barley is processed in Anchorage at Alaska Mill and Feed. Very little of that barley is for milk cow ration (Ken Sherwood, personal communication). Most of that barley is for bagged feed for animals other than cows.

Future Supply & Demand

If beef customers continue their current interest in grass finished beef it will diminish the need for barley. The Canadian border situation is and will continue to affect Alaska's animal population and subsequent grain consumption. The border closure has closed off the normal and traditional transit of breed animals, replacement animals and even feeder animals. It is technically possible to bring cattle less than 30 months into Alaska for finishing/slaughter but no one has requested the designation of a requisite official feed lot in which to unload such animals.